



INTERNAL AUDIT DIVISION

REPORT 2018/045

Audit of the operations of the Office for the Coordination of Humanitarian Affairs in the occupied Palestinian territory

While cluster coordination and project implementation were effectively managed by the country office, improvements were needed in work plan implementation, business continuity planning and access control to office premises

25 May 2018
Assignment No. AN2017/590/03

Audit of the operations of the Office for the Coordination of Humanitarian Affairs in the occupied Palestinian territory

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of the operations of the Office for the Coordination of Humanitarian Affairs (OCHA) in the occupied Palestinian territory (oPt). The objective of the audit was to determine whether operations of OCHA oPt were effective in achieving OCHA strategic objectives and ensuring the effectiveness and efficiency of operations. The audit covered the period from 1 January 2016 to 30 September 2017 and it included a review of the coordination of humanitarian emergency response and management of staff and other resources allocated to the country office.

OCHA oPt established an appropriate coordination structure both at country and field levels and managed the implementation of projects effectively. However, improvements were needed in monitoring work plan implementation, business continuity planning and access control to office premises.

OIOS made six recommendations. To address issues identified in the audit, OCHA needed to:

- Ensure that implementing partners obtain and maintain adequate insurance coverage as required by grant agreements;
- Strengthen work plan implementation reviews by identifying remedial actions to address challenges impeding delivery of planned outputs;
- Ensure annual work plans sufficiently describe the activities and deliverables of its sub offices;
- Prepare a business continuity plan to guide the continuation of critical functions in emergencies;
- Develop and implement an action plan to ensure all staff undertake the required mandatory courses and set a target date for their completion; and
- Reprioritize resources and relocate the security screening booth at the premises' main entrance to securely screen and record details of visitors prior to authorizing their entry into the premises.

OCHA accepted the recommendations and has initiated actions to implement them.

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Audit of the operations of OCHA in the occupied Palestinian territory

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the operations of the Office for the Coordination of Humanitarian Affairs (OCHA) in the occupied Palestinian territory (oPt).
2. OCHA is responsible for bringing together humanitarian actors to ensure a coherent response to emergencies in accordance with General Assembly resolution 46/182 dated 19 December 1991. OCHA operations in oPt began in 2002 and focus on responding to the humanitarian situation in the West Bank and Gaza Strip. The objective of the humanitarian assistance is to provide vulnerable persons with access to basic services and to support the ability of Palestinians to cope with and overcome protracted crises.
3. The basic services were programmed around the six thematic lead clusters, which include: protection; water, sanitation and hygiene; food security; education; shelter and non-food items; and health and nutrition. Clusters were organized on two levels: (i) at the national level in Jerusalem; and (ii) at the sub national level in Gaza and the West Bank and were led by related United Nations specialized agencies and international non-governmental organizations (NGOs).
4. The 2016 Humanitarian Response Plan (HRP) for oPt estimated resource requirements at \$570.7 million, of which \$271.2 million or 48 per cent was funded. The HRP resource requirements for 2017 were estimated at \$551.9 million, of which \$236.4 million or 43 per cent was funded as of September 2017.
5. The oPt Humanitarian Fund is a pooled fund overseen by the Humanitarian Coordinator on behalf of the Emergency Relief Coordinator (ERC). Under the supervision of the OCHA Head of oPt Office, the Humanitarian Financing Unit acts as the Fund's secretariat and performs the day-to-day management functions. OCHA's Funding Coordination Section disburses funds to partners in accordance with the allocation decisions of the Humanitarian Coordinator. A total of \$18 million was allocated from the oPt Humanitarian Fund from January 2016 to September 2017, which was programmed into 67 projects. In addition, three projects costing \$4.2 million were funded by the Central Emergency Response Fund (CERF) and were being implemented by two United Nations entities.
6. The main role of the OCHA oPt Office is to support the Humanitarian Coordinator and the humanitarian coordination system in the oPt through information management, policy development, coordination, advocacy and humanitarian finance. The office is headquartered in East Jerusalem, and has sub offices in the West Bank and Gaza Strip. The OCHA oPt Office had 59 approved posts, as of October 2017. The Office is led by the Head of oPt Office at the D-1 level. The administrative cost for the office for the years 2016 and 2017 was \$6.9 million per annum.
7. Comments provided by OCHA are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

8. The objective of the audit was to determine whether operations of OCHA in the oPt were effective in achieving OCHA strategic objectives and ensuring effectiveness and efficiency of operations.
9. This audit was included in the 2017 risk-based work plan of OIOS due to the risks associated with: (i) coordinating the emergency response under the HRP; (ii) overseeing the programming and management of the Humanitarian Fund; and (iii) managing staff and other resources in the OCHA oPt Office.

10. OIOS conducted this audit from October to December 2017. The audit covered the period from 1 January 2016 to 30 September 2017. Based on an activity-level risk assessment, the audit covered higher and medium risk areas in OCHA operations in the oPt including coordination of the humanitarian response in oPt and management of staff and other resources allocated to the operations.

11. The audit methodology included: (a) interviews of key personnel, (b) reviews of relevant documentation, (c) analytical reviews of data, and (d) sample testing of transactions.

12. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

III. AUDIT RESULTS

A. Coordination of emergency humanitarian response

Coordination structure for the humanitarian response in the oPt was adequate

13. The principles of the Inter-Agency Standing Committee Transformative Agenda require the establishment of an adequate humanitarian response framework including, coordination as an essential enabler for a successful emergency humanitarian response.

14. The Deputy Special Coordinator for the Middle East Peace Process is also the United Nations Resident and Humanitarian Coordinator for the oPt. He chairs the Humanitarian Country Team (HCT), which is a forum of humanitarian organizations operating in the oPt.

15. The HCT coordinated the operational response and needs analysis in oPt and met once a month. The HCT was supported by an Advocacy Working Group, which coordinated advocacy efforts among HCT members and undertook joint initiatives. It was also supported and advised by the Inter-Cluster Coordination Group, which was composed of the coordinators of the six clusters active in the oPt. OCHA's responsibility was to bring together humanitarian actors to ensure a coherent response to the emergency. The oPt Office supported annual planning by the HCT through the Humanitarian Programme Cycle and organized monthly smaller focused HCT meetings chaired by the Humanitarian Coordinator, where action points/decisions were made regarding the humanitarian response in oPt. OIOS reviewed minutes of the meetings and found them to be in conformity with the humanitarian response plan for oPt. The Humanitarian Coordinator and HCT received support and guidance from OCHA Headquarters under the leadership of the ERC.

16. At the field level, OCHA facilitated coordination between clusters to support the Humanitarian Coordinator in engaging senior government officials on matters of strategy and policy and in negotiating humanitarian access, space and other humanitarian operation enablers. Most of the key deliverables under the strategic goal of effective and principled humanitarian action in the work plan for 2016 were implemented. These included preparing background papers for consideration by the HCT for all policy and strategy related proposals, convening all scheduled meetings of the HCT, monitoring and following up on all action points from HCT and the Inter-Cluster Coordinating Group meetings, and preparing monthly reports to the ERC on key achievements, challenges and recommendations. The activities for 2017 were still ongoing at the time of fieldwork. OIOS concluded that OCHA oPt had put in place an appropriate coordination structure for the oPt and effective processes to facilitate cluster coordination.

OCHA oPt had effective processes to mobilize resources under the Humanitarian Fund

17. In its 2016 work plan, OCHA oPt committed to maintain the existing level of donors, bring in at least two more donors and increase the percentage of funding per donor. The work plan listed several activities to mobilize resources that were tied to the overall funding strategy for the HRP. The OCHA oPt Humanitarian Fund's target was set at \$20 million each for 2016 and 2017.

18. A total of \$10 million was raised in 2016 from the traditional seven donors. Efforts to bring in additional donors did not materialize, but the funds raised represented an increase over the \$7.4 million received by the Fund in the previous year. As part of the work plan activities, the fourth meeting of the HCT in 2016 included donors to discuss key policy and strategic issues, outreach to current donors was maintained and all planned meetings for the year were conducted. In its response to an audit on resource mobilization in OCHA (Report 2016/090), OCHA Headquarters indicated that it had initiated actions to develop a global policy regarding resource mobilization for all country-based pooled funds. Since the recommendation is still open and OCHA oPt planned and implemented resource mobilization activities locally, OIOS did not make an additional recommendation on this issue.

Programming of humanitarian assistance in the oPt

19. OIOS reviewed a sample of 16 projects totalling \$5 million, out of the 67 projects that were funded for the period under review amounting to \$18 million. (CERF projects were not reviewed as the funds were recently allocated in August 2017). OIOS assessed the completion status of these projects, reviewed the monitoring reports prepared by OCHA oPt, analysed the actual time it took to complete the project against the planned time and verified whether the completed projects had audit reports. The audit results showed that:

- a) Projects were completed within the timeframes set in the project agreements and their financial statements were submitted largely on time

20. The grant agreements signed between implementing partners and OCHA oPt stipulated the project completion period and required financial statements to be provided to OCHA oPt within two months of completing the projects. Nine projects had been completed at the time of review and all were completed within the timeframes set in the project documents. OIOS noted that financial statements for six projects were submitted within two months of project completion, while financial statements for three projects were submitted five days after the due date. OIOS concluded that projects were completed within the timeframes set in project agreements and their financial statements were largely submitted on time.

- b) Project monitoring activities were adequate

21. As per the agreements, OCHA oPt has the right to monitor project implementation with full and unrestricted access to all documentation, premises, implementation sites, including related activities undertaken by sub-contractors or other operational partners that the implementing partner may engage. All nine completed projects had monitoring reports that were prepared by OCHA oPt. The monitoring reports included an assessment of the impact of the project based on interviews with the beneficiaries. Where these indicated that things were not going as planned, the implementing partners were notified and a follow-up monitoring visit was scheduled before completion of the project. The OIOS audit team also visited two ongoing projects near the Hebron Sub Office in the West Bank: (i) project for the emergency supply of water trucking to the West Bank, and (ii) project on the emergency rehabilitation of shelters to vulnerable families. OIOS concluded that project monitoring activities were adequate.

c) All projects completed during the period under review were audited by an independent audit firm

22. As per the agreements, OCHA is required to commission an independent audit of project activities within five weeks of receipt of final accounts.

23. OCHA oPt contracted an audit and tax services firm to conduct audits of completed projects during the period under review. All nine completed projects had audited financial statements and management letters. One audit report was qualified because of a conflict of interest situation regarding a tender that was issued by an implementing partner who later awarded it to themselves. The auditors classified the expense as ineligible and recommended that the amount of \$21,834 be recovered from the implementing partner. OCHA oPt recovered the money and adjusted the responsible implementing partner's risk level to high, which will subject it to more frequent monitoring and reporting requirements in future projects.

24. In a number of previous audits of country-based pooled funds, OIOS had recommended that a risk-based approach to auditing projects would be more cost effective rather than the current practice of auditing every project. OCHA informed OIOS that they were still developing a global contract with an audit firm, through which they would roll out the policy to adopt a risk-based audit approach. Since the implementation of the recommendation is still pending, OIOS did not make an additional recommendation on this matter.

d) Implementing partners did not obtain adequate insurance against risks relating to the implementation of projects

25. In accordance with the agreements signed, implementing partners are required to maintain workmen's compensation, third party liability and other types of insurance coverage as may be agreed upon between the parties and incorporated in the project budget. The local labour laws in oPt also require that all NGO operations be covered by workmen's compensation insurance.

26. OIOS noted that implementing partners did not obtain insurance coverage as required in all the agreements reviewed. This was because OCHA oPt did not pay adequate attention to the insurance provisions. Should property damage, bodily injuries as well as professional errors or omissions occur while implementing humanitarian assistance projects, OCHA oPt may be liable to bear the costs in the absence of adequate insurance coverage.

(1) OCHA Office in the occupied Palestinian territory should take action to ensure that implementing partners obtain and maintain adequate insurance coverage as required by grant agreements.

OCHA accepted recommendation 1 and stated that OCHA oPt would remind implementing partners of their responsibility to provide adequate workmen's insurance coverage in compliance with local labour laws. OCHA would also review grant agreement clauses on insurance to determine the practicality and feasibility of the insurance requirements in view of the challenges that implementing partners and national responders face in conflict zones in which the humanitarian funds operate. Recommendation 1 remains open pending receipt of evidence of action taken to ensure that implementing partners obtain and maintain adequate insurance coverage.

e) OCHA oPt identified projects that needed to mainstream gender perspectives in project implementation.

27. To ensure a gender equitable humanitarian response, the 2017 HRP disaggregated targets by sex and age and included specific indicators to address gender-based vulnerabilities.

28. A UN-Women humanitarian gender advisor was contracted by OCHA to undertake a strategic and technical review of projects from a gender perspective for the OCHA oPt humanitarian fund. Also, gender focal points were appointed for each cluster to assess and advise on gender issues. A joint action plan was developed with UN-Women in 2017 to implement activities that were aimed at improving availability of sex disaggregated data and gender profiles, integrating gender in preparedness and emergency plans, and strengthening outreach and access to local women's organizations including through the humanitarian fund.

29. However, OIOS noted that while gender perspectives had been included at the project technical and strategic review stage, more needed to be done to ensure that focus was maintained on gender perspectives throughout the project implementation cycle. For example, a monitoring report by OCHA oPt on a project to enhance income generation potential of vulnerable men and women in South Gaza Strip indicated that no women attended a five-day training in agricultural extension services. The Office notified the implementing partner immediately recommending that in future, a specific course targeting women farmers should be offered to enable them to benefit from the extension services. OIOS concluded that OCHA oPt was taking steps to follow up with implementing partners, cluster coordinators, and the gender advisor to improve gender integration in OCHA oPt activities.

B. Management of staff and other resources

Remedial actions needed to be identified to address challenges in work plan implementation

30. OCHA oPt established annual work plans for 2016 and 2017, which included the main outputs that the Office intended to deliver and identified the key activities required for each year. The plans were linked to OCHA's overarching strategy and results frameworks and informed the Office's annual cost plans. The OCHA policy instruction on the roles and responsibilities of country offices requires them to review their work plans at least once a year to account for lessons learned and changes in the operating environment.

31. In 2017, OCHA oPt extensively reviewed its 2016 work plan, comparing planned outputs with actual delivery and providing a narrative analysis of the variances. While the Office described the challenges that prevented it from delivering outputs or activities as planned, in most instances there was no description of how the Office planned to remedy the situation in future as part of lessons learned. For example, under strategic objective 3 (improved coordination of needs assessments) one of the activities of the Humanitarian Needs Overview (HNO) was to conduct an information gap analysis and provide recommendations on common/inter-agency systems to address those needs. The challenges with conducting the information gap analysis included inadequate information management capacity within clusters, coupled with the inability of cluster coordinators to manage data. These challenges reduced the impact of data/systems generated by OCHA and diminished the ability of clusters to address information gaps identified in the HNO. However, there was no mention of how OCHA oPt would remedy this challenge in future. This was consistent with most of the challenges stated in the work plans that the audit reviewed.

(2) OCHA Office in the occupied Palestinian territory should take steps to strengthen work plan implementation reviews by identifying remedial actions to address challenges impeding delivery of planned outputs.

OCHA accepted recommendation 2 and stated that it was implementing a change process that would impact on how work plans are developed and monitored. Under the planned process, OCHA oPt would, in coordination with functional staff at headquarters, review progress against the work plan periodically. Recommendation 2 remains open pending receipt of evidence of periodic review of work plan implementation and actions taken to remedy challenges identified.

There is a need for the OCHA oPt annual work plan to sufficiently identify the work of sub offices

32. The purpose of an annual work plan is to list the main outputs that OCHA oPt intends to deliver and the key activities that it will undertake for a specified period. The work plans for 2016 to 2017 were developed based on the overall humanitarian strategy for the oPt.

33. However, OIOS noted that the work of sub offices in the Gaza Strip, Nablus, Ramallah and Hebron was not adequately reflected in the Office's annual work plans for 2016 and 2017. During a field visit to the Hebron sub office, OIOS noted that staff were playing an important role in inter-cluster coordination at the sub national level to coordinate the implementation of the response through each step of the humanitarian programme cycle. Without sufficiently reflecting the work of the sub offices in the oPt Office work plans, there was no established basis to monitor and measure the performance of staff in the sub offices. Sub office operations may also not be adequately incorporated in a business continuity plan and in the event of staff changes, there could be gaps in the implementation of sub office activities by incoming staff.

(3) OCHA Office in the occupied Palestinian territory should take steps to ensure the annual office work plans sufficiently describe the activities and deliverables of its sub offices.

OCHA accepted recommendation 3. Recommendation 3 remains open pending receipt of OCHA oPt annual work plan that sufficiently describes the activities and deliverables of its sub offices.

There was a need for OCHA oPt to prepare a business continuity plan

34. Within the framework of the United Nations Organizational Resilience Management System, OCHA country offices are expected to prepare business continuity plans to maintain the continuity of critical functions in emergencies or other disruptive events, while ensuring the health, safety and security of staff and protecting assets.

35. The Department of Safety and Security carried out a security risk assessment in oPt between September 2016 and March 2017. The process included the identification of threat groups/actors and security threat assessment under five categories: armed conflict; terrorism; crime; civil unrest; and hazards. The overall threat level was substantial for civil unrest in all regions (Gaza, West bank and Jerusalem) implying that the need for a business continuity plan was even more urgent. However, OIOS noted that there was no business continuity plan in OCHA oPt.

36. OCHA oPt management explained that the process to prepare a business continuity plan had been initiated. In accordance with the guidelines issued by the Chief Executives Board, effective December 2014, compliance with the policy on the Organization Resilience Management System is mandatory. There is, therefore a need for OCHA oPt to prioritize the preparation of the business continuity plan.

(4) OCHA Office in the occupied Palestinian territory should prepare a business continuity plan to guide the continuation of critical functions in emergencies.

OCHA accepted recommendation 4 and stated that OCHA oPt would prepare a business continuity plan by the end of 2018. Recommendation 4 remains open pending receipt of the business continuity plan.

Identification of unserviceable assets could be improved

37. According to the administrative instruction on property management, OCHA was responsible for creating, maintaining and updating its property and inventory control records, labelling property, monitoring the movement of property, recommending the disposal of obsolete and unserviceable property, and conducting periodic physical inventories during each biennium.

38. The value of assets at OCHA oPt as of December 2016 was \$1.1 million, of which vehicles accounted for approximately \$860,000. A process was in place to identify unserviceable assets that included identification of the asset, approval by OCHA oPt and clearance by OCHA administration section in Geneva. After clearance, a memorandum was sent to the Local Property Survey Board of a United Nations agency for final authority to write off. This is in accordance with the service level agreement signed between OCHA and the agency. OIOS identified two vehicles that were unserviceable, but were included as part of the assets of OCHA oPt as of December 2016. OCHA oPt informed OIOS that it was in the process of compiling the list of unserviceable assets and was anticipating that the exercise will be completed early in 2018. Therefore, OIOS did not make a recommendation on this issue.

All OCHA oPt staff needed to undertake the mandatory training courses

39. According to the information circular ST/IC/2016/15 on United Nations mandatory programmes, there are seven mandatory courses for all staff regardless of their level, duty station or function. There are also courses that are mandatory for staff members undertaking certain functions.

40. OIOS noted that there was a good completion rate for the three mandatory security courses: (i) basic security in the field; (ii) advanced security in the field; and (iii) safe and secure approaches in field environments of 100; 96; and 97 per cent respectively. However, average completion rate for other mandatory courses as of October 2017 was around 48 per cent for all staff. While OCHA had the tools to monitor status of courses undertaken, it did not put in place measures to enforce compliance. As a result, staff may not be familiar with key regulations, rules and processes, which could impact their efficiency and effectiveness.

(5) OCHA Office in the occupied Palestinian territory should develop and implement an action plan to ensure all staff undertake the required mandatory courses and set a target date for their completion.

OCHA accepted recommendation 5 and stated that OCHA oPt was implementing an action plan to ensure staff complete all mandatory trainings by the end of 2018. Recommendation 5 remains open pending receipt of evidence that all staff members have completed mandatory training courses.

Staff performance appraisals were completed timely

41. According to the administrative instruction ST/AI/2010/5 on the performance management and development system, each office is expected to complete performance evaluation of staff by 30 June of each year.

42. OCHA oPt included a performance target of 70 per cent completion of performance evaluation for both OCHA international and national staff in the Strategic Plan for 2014-2017. OIOS analysed the performance evaluations for the reporting period ended March 2017 and noted that 92 per cent of the evaluations were duly finalized. Among those not completed, one staff member was on special leave without pay and another was on maternity leave. OIOS concluded that OCHA staff performance appraisals

were completed timely and they exceeded the targets set as part of management goal in the strategic framework.

There was a need to improve security measures in OCHA oPt premises

43. In accordance with United Nations Security policy manual, personnel and vehicles should be channeled through designated control points for verification of identity, authority to enter and other security checks.

44. OIOS noted that vehicles entering the premises were screened but the drivers and passengers were not. Also, details of visitors were not recorded in the visitors book following verification of relevant identification documents. In addition, the screening booth was situated inside the perimeter fence instead of at the entrance to facilitate screening on entry and prevent unauthorized persons from entering the premises. OCHA oPt explained that they had initially planned to relocate the security booth at the entrance but due to budget cuts this could not be done.

(6) OCHA Office in the occupied Palestinian territory should reprioritize resources and relocate the security screening booth at the premises' main entrance to securely screen and record details of visitors prior to authorizing their entry into the premises.

OCHA accepted recommendation 6 and stated that OCHA oPt had arranged to obtain a used security booth, which would be fully operational by June 2018. Recommendation 6 remains open pending receipt of evidence that the security booth has been relocated and is operational.

IV. ACKNOWLEDGEMENT

45. OIOS wishes to express its appreciation to the management and staff of OCHA for the assistance and cooperation extended to the auditors during this assignment.

(Signed) Eleanor T. Burns
Director, Internal Audit Division
Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of the operations of the Office for the Coordination of Humanitarian Affairs in the occupied Palestinian territory

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	OCHA Office in the occupied Palestinian territory should take action to ensure that implementing partners obtain and maintain adequate insurance coverage as required by grant agreements.	Important	O	Submission of evidence on action taken to ensure that the implementing partners obtain and maintain adequate insurance coverage.	31 December 2019
2	OCHA Office in the occupied Palestinian territory should take steps to strengthen work plan implementation reviews by identifying remedial actions to address challenges impeding delivery of planned outputs.	Important	O	Submission of evidence of periodic review of work plan implementation and actions taken to remedy challenges identified.	31 December 2019
3	OCHA Office in the occupied Palestinian territory should take steps to ensure the annual office work plans sufficiently describe the activities and deliverables of its sub offices.	Important	O	Submission of OCHA oPt annual work plan that sufficiently describes activities and deliverables of its sub offices.	31 December 2019
4	OCHA Office in the occupied Palestinian territory should prepare a business continuity plan to guide the continuation of critical functions in emergencies.	Important	O	Submission of the business continuity plan.	31 December 2018
5	OCHA Office in the occupied Palestinian territory should develop and implement an action plan to ensure all staff undertake the required mandatory courses and set a target date for their completion	Important	O	Submission of evidence that all staff members have completed mandatory training courses.	31 December 2018
6	OCHA Office in the occupied Palestinian territory should reprioritize resources and relocate the security screening booth at the premises' main entrance to securely screen and record details of visitors prior to authorizing their entry into the premises.	Important	O	Submission of evidence that the security booth has been relocated at the entrance of the premises and is operational.	30 June 2018

¹ Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

² Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

³ C = closed, O = open

⁴ Date provided by OCHA in response to recommendations.

APPENDIX I

Management Response

United Nations  Nations Unies
INTEROFFICE MEMORANDUM MEMORANDUM INTERIEUR

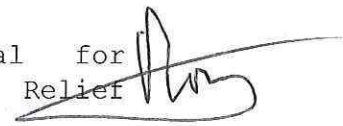
TO: Ms. Muriette Lawrence-Hume, Chief,
A: New York Audit Service,
Internal Audit Division, OIOS

DATE: 9 May 2018

REFERENCE: OIOS-2018-00372

THROUGH:
S/C DE:

FROM: Mark Lowcock, Under-Secretary-General for
DE: Humanitarian Affairs and Emergency Relief
Coordinator, OCHA



SUBJECT: **Management Response to an Audit of operations of OCHA in**
OBJET: **the occupied Palestinian territory (AN2017/590/03)**

1. In reference to your memorandum dated 22 March 2018, I am enclosing OCHA's management response to the recommendations issued.
2. Thank you.

cc: Mr. Barnaby Jones - EO/OCHA

Management response

Audit of the operations of the Office for the Coordination of Humanitarian Affairs in the occupied Palestinian territory

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	OCHA Office in the occupied Palestinian territory should take action to ensure that implementing partners obtain and maintain adequate insurance coverage as required by grant agreements.	Important	Yes	OCHA oPt and CBPF's	31 December 2019	OCHA oPt will remind IPs of their responsibility to ensure the provision of workmen's insurance coverage in compliance with local labor laws. OCHA is also planning to undertake a review of the IP grant agreement clauses on insurance to make a determination on the practicality and feasibility of these requirements in view of the challenges which IPs and in particular national responders face in the conflict-prone and otherwise high-risk contexts in which the humanitarian funds operate.
2	OCHA Office in the occupied Palestinian territory should take steps to strengthen work plan implementation reviews by identifying remedial actions to address challenges impeding delivery of planned outputs.	Important	Yes	OCHA oPt	31 December 2019	OCHA is corporately implementing a change process that will impact how OCHA develops and monitors its work plans. Under the planned process, OCHA oPt, in coordination with functional staff at headquarters will review progress against the work plan on a periodic basis.
3	OCHA Office in the occupied Palestinian territory should take steps to ensure the annual office work plans sufficiently	Important	Yes	OCHA oPt	31 December 2019	As per the current practice.

¹ Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

² Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

Management Response

Audit of the operations of the Office for the Coordination of Humanitarian Affairs in the occupied Palestinian territory

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	describe the activities and deliverables of its sub offices.					
4	OCHA Office in the occupied Palestinian territory should prepare a business continuity plan to guide the continuation of critical functions in emergencies.	Important	Yes	OCHA oPt	31 December 2018	OCHA oPt will prepare a business continuity plan to be completed by 31 December 2018.
5	OCHA Office in the occupied Palestinian territory should develop and implement an action plan to ensure all staff undertake the required mandatory courses and set a target date for their completion.	Important	Yes	OCHA oPt	31 December 2018	To ensure all staff undertake the required mandatory courses, OCHA oPt is implementing an action plan to finalize all online mandatory trainings by 31 May 2018. OCHA oPt aims to have all staff complete the SSAFE training, which is organized by UNDSS, by 31 December 2018.
6	OCHA Office in the occupied Palestinian territory should reprioritize resources and relocate the security screening booth at the premises' main entrance to securely screen and record details of visitors prior to authorizing their entry into the premises.	Important	Yes	OCHA oPt	30 June 2018	Although OCHA oPt does not have the budget to arrange for a security booth at the entrance of the premises in its 2018 Cost Plan 2018, the office arranged to get a used security booth from UNFPA (disposal of assets, donated to OCHA). The security booth has been relocated to the Jerusalem premises and will be fully operational by 30 June 2018.